GOVERNMENT OF INDIA
PETROLEUM AND NATURAL GAS
LOK SABHA

UNSTARRED QUESTION NO:413
ANSWERED ON:28.02.2008
MISUSE OF DOMESTIC LPG CYLINDERS
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Will the Minister of PETROLEUM AND NATURAL GAS be pleased to state:

(a) whether the Government is aware of the large scale misuse of the domestic LPG cylinders, especially in 4 wheel vehicles;

(b) if so, the State-wise number of cases registered during the last three years; and

(c) the steps taken by the Government to prevent the misuse of domestic LPG cylinders?

Answer

MINISTER OF THE STATE IN THE MINISTRY OF PETROLEUM AND NATURAL GAS (SHRI DINSHA PATEL)

(a) & (b) : The possibility of misuse of the domestic LPG cylinders, especially in 4-wheel vehicles cannot be ruled out due to the wide gap between the retail price of LPG for domestic use and market price for auto LPG. During the last three years and April-December, 2007, 6997 motorists were caught by the Road Transport Authorities for which assistance was provided by the Oil Marketing Companies. The State-wise details are available with the State Governments as the registration of such vehicles is done by the District Authorities.

(c) : In order to stop misuse of domestic LPG cylinders, the Government has enacted "Liquefied Petroleum Gas (Regulation of Supply and Distribution) Order, 2000" and formulated "Marketing Discipline Guidelines, 2001" which provides for penal action against LPG distributors indulging in misuse of LPG.
Whenever OMCs receive complaints, these are investigated and if the complaint is established, suitable action is taken against the LPG distributor(s) in accordance with the provisions of the MDG. MDG provides for following action against the distributor:-

Fine of Rs. 20,000 plus the price of LPG diverted at commercial rates for 1st offence.

Fine of Rs. 50,000 plus the price of LPG diverted at commercial rates for 2nd offence.

Termination of the distributorship for 3rd offence.
In addition to the action taken by the OMCs, State Governments are empowered under the LPG (Regulation of Supply & Distribution) Order, 2000 promulgated under the Essential Commodities Act, 1955 to take action against misuse of domestic LPG. Similarly, the Weights and Measures Departments of the States / UTs initiate legal action against those LPG distributors found supplying under-weight LPG cylinders. The State Governments have been alerted from time to time to take steps against the misuse of domestic cylinders for unauthorized usage.
Government have issued advertisements cautioning the public that use of domestic LPG for non-domestic purposes is illegal, dangerous and against national interest. Through these advertisements, cooperation of the general public has also been sought to report any irregularity / malpractice to the OMCs.
The officials of OMCs carry out random checks at distributors godowns, delivery points, as well as en-route to ensure that no misuse takes place. The distributors of OMCs are under strict instructions to check the weight of cylinders at their godowns before delivery, and only cylinders with the specified weight are to be delivered to the customers. The distributors have also been instructed to ensure that the seals are verified & shown to the customers at the time of delivery. In case any under-weight cylinder is received by the customer, such cylinders are replaced with a fresh refill cylinder without any charges levied by the OMCs.